

JAI Overfladebehandling A/S

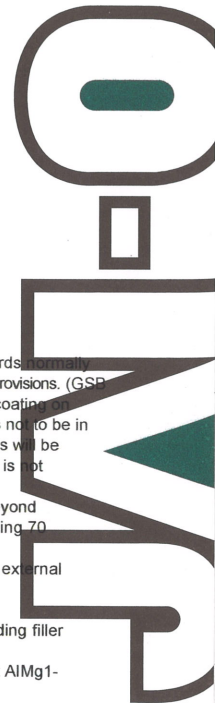
Terms and conditions of sale and delivery

for members of Industrilakerernes Landsforening (the national association of Danish industrial coaters) under the Danish Construction Association



**INDUSTRILAKERERNES
LANDSFORENING**

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The provisions below apply to the extent not deviated from by express written agreement.

1 QUOTATIONS

Quotations provided by the seller are binding for four weeks. However, delivery times specified in quotations are binding only if acceptance is received no later than on the fifth working day following the issuing of the quotation. The seller reserves the right to claim payment for unforeseen, documented price increases as a result of changes in taxes and duties. Prices are ex the seller's premises and excluding the seller's transport packaging.

2 DELIVERY OF ITEMS FOR COATING

Items for coating are assumed to be delivered at the seller's premises. The time of delivery of the buyer's items to the seller – and the seller's delivery to the buyer – will be finally agreed on the signing of the agreement. The seller is not liable for delays caused by the buyer's delayed delivery of the items to the seller nor for delays caused by force majeure, including strikes, lockout, fire, extensive malicious damage, war, natural disasters and similar events and force majeure at the seller's sub-suppliers. It is the buyer's responsibility that items received for processing are insured against fire, theft and water damage for as long as they are in the seller's custody. If the buyer cannot deliver the items at the seller's premises on time, the buyer is obliged to immediately inform the seller thereof. The buyer must pay any additional expenses incurred by the seller, including waiting time caused by the delay, unless a force majeure event exists. If the buyer fails to receive the delivery on the agreed date, the agreed items will be stored on the seller's premises/in the seller's warehouse at the buyer's expense and risk. If the delayed collection by the buyer is caused by force majeure, the seller cannot, however, make claims against the buyer as a consequence thereof. However, this does not release the buyer from its obligation to pay the purchase price at the agreed time. The buyer accepts that any compensation for damage caused by the seller to items in the seller's custody can never exceed the specific order value of the actual damaged item, for which reason financial claims in excess of this are borne by the buyer. There is a risk that this may be set aside, in particular in case of gross negligence.

3 PAYMENT

The purchase price falls due for payment 30 days after the date of delivery. If required by the seller, the buyer must provide a bank guarantee before commencement of the work.

4 CONSTRUCTION AND QUALITY REQUIREMENTS

The following sets out the requirements for the buyer's preparation of the item before coating.

Reservations are made for surface defects and damage caused by insufficient preparation and which appear after pre-treatment or coating – including galvanised and zinc-coated surfaces which have already been surface-treated and where the quality of the coating depends on the existing surface preparation.

Regarding coating of steel and aluminium

The buyer must state the corrosion class and where the item is to be used. If no quality requirements have been agreed in advance by means of reference to a reference piece or specification, the seller assumes that items are suited for the agreed coating – including that a satisfactory result is achievable. If the seller's studies show that the result of the agreed coating is uncertain, the seller may withdraw from the agreement or demand that the buyer agrees in writing not to make any claims for defects against the seller if the buyer still wants the items to be coated as agreed. If the tender documents specify both performance requirements and coating method, the coating method will take precedence in the event of discrepancies. Unless otherwise stated, quality control will be performed according to the seller's quality assurance programme.

Unless otherwise stated, the quotation is based on the surface having been prepared for the agreed coating, including:

- that all edges have been processed (rounded, chamfered)
- that all welds appear uninterrupted and without pore holes
- that no welds have any significant interfusions (undercuts)
- that all slags, weld splatter, chips and scale have been removed
- that all items are provided with suspension holes
- that all closed pipes and structures are provided with drain holes
- that the items are free from scratches and are ready for coating

Unless otherwise agreed, the coating will be according to corrosion class C2 – and is under any circumstances conditional on the structure being in accordance with DS/ISO 12944-3.

Regarding coating of aluminium for facades

Coating defects are considered as non-conformities with the standards normally applied as described in GSB - AL 631 standard for quality and test provisions. (GSB = Gütegemeinschaft für die Stück- beschichtung von Bauteilen). If coating of aluminium alloys corresponding to at least AA6063/DIN1725 proves not to be in accordance with the requirements in the above AL 631, such defects will be rectified at no expense to the buyer. However, the coating company is not responsible for consequences of:

- surfaces being or having been exposed to environmental impacts beyond corrosion class C3 (DS/EN ISO 12944-5), e.g. temperatures exceeding 70 degrees Celsius, impact by nitrous and chlorine-containing gases
- coated surfaces having been damaged by tools or other mechanical external impact
- non-compliance with maintenance instructions provided
- an electrolyte being created in the structures at unsealed cuts, welding filler or different aluminium alloys in the same structure
- failure to use an aluminium alloy for sheets corresponding to at least AIMg1-AIMg3, Al 99,5 and AIMh

Regarding coating of wood

Unless otherwise stated, the quotation is based on the surface having been prepared for the agreed coating, including:

- that items must be completely smoothed on surfaces, edges and milled slots (no kerfs or milling traces etc.) so that the surface is ready and suited for priming and/or coating
- that items must also be clean, free from dirt, etc. and cleared of any grinding and milling dust
- that the relative wood moisture content must be 12% plus/minus 3% for outdoor items and 6% plus/minus 2% for indoor items
- that quality control is performed by the seller to the extent that this is explicitly required in the tender documents

5 LIABILITY FOR DEFECTS

The seller is only liable for defects for which he is to blame. The seller's liability for hidden defects expires two years after the handing over of the work, but five years for building materials. Immediately when receiving the item, the buyer undertakes to check it and give immediate notice of any visible defects. The notice of hidden defects must be given as soon as possible. The seller has a right and an obligation to rectify the defects as soon as possible. The seller decides whether the rectification of defects will take place at the buyer's premises or by renewed coating of new items delivered to the seller. The seller will pay the costs of coating the new items. The costs of dismantling items - reinstallation of new items and transportation - are not covered. If the buyer has given notice of a defect, and it turns out that there is no defect for which the seller is liable, the seller is entitled to compensation for the work and the costs incurred by the seller as a result of the notice of defects. The seller's liability does not include daily penalties and indirect losses and any consequential costs, including the use of scaffolding, lifts, tents, mobile hot air generators etc. where this was not included in the seller's contract. The buyer's claim for damages against the seller cannot exceed the invoiced value ex VAT on the work performed.

6 PRODUCT LIABILITY

The buyer must indemnify the seller to the extent that third-party liability is imposed on the seller for any damage or loss for which the seller is not liable to the buyer in compliance with the third and second paragraphs of this clause. The seller is not liable for damage caused by the goods after the taking over:

- a) to real or personal property when such damage occurs while the delivery is in the buyer's possession
- b) to products manufactured by the buyer or to products of which they form part, or for damage to real or personal property caused by such products as a result of the goods delivered.

In no case will the seller be liable for business interruption loss, loss of earnings or any other financial consequential loss. The above limitations on the seller's liability do not apply if the seller is guilty of gross negligence. If any third party files a claim against one of the parties for liability to pay damages in compliance with this clause, the party concerned must immediately inform the other party thereof. The seller and the buyer have a mutual obligation to allow themselves to be sued before the court of law or arbitration tribunal that hears claims for damages made against either of them on the basis of any damage or loss claimed to be caused by the goods delivered. The mutual relationship between the buyer and the seller must be decided according to clause 7.

7 DISPUTES

Disputes are settled according to Danish law and by Danish courts of law. If the case concerns building materials, the dispute will be settled by an arbitration tribunal appointed by the Board of Arbitration for Building and Civil Engineering Works, Vesterbrogade 2B, DK-1620 Copenhagen V.